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February 19, 2007

Ontario Energy Board
P.O. Box 2319 27th Floor
2300 Yonge Street
Toronto, ON
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Attention: Kirsten Walli, Board Secretary

Dear Ms Walli:

Re: 2007 Incentive Rate Mechanism Adjustment Model for Brant County Power Inc.,
Licence Number ED-2002-0522, IRM 2007 EB Number EB-2007-0509, EDR 2006
RP Number RP-2005-0020

We were recently asked by OEB staff to make a comment concerning our Smart Meter Adder that forms part of our 2007 Incentive Rate Mechanism Adjustment.

The Smart Meter Adder is currently included in the Monthly Service Charge for metered customers. The Brant County Power Inc. adder is \$.25 and has been removed in calculating the Price Cap Adjustment, since this adjustment applies to "Basis" Distribution Rates only. Once the Price Cap Adjustment has been calculated on the "Basis" Distribution Rates, the \$.25 Smart Meter Adder is added to the resulting rates. The amount of the adder may change as a result of the OEB's current review of smart meter funding.

Respectfully submitted,

Deborah Sleeth
Chief Executive Officer